

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Sanchez, M. DATE TYPED 2/11/2004 HB _____

SHORT TITLE Security Guard License Fees SB 256/aSPAC

ANALYST Aguilar

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
	\$10.0	Minimal	Recurring	Private Investigator and Polygrapher Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of SPAC Amendment

The Senate Public Affairs Committee amendment changes references to surety bonds and increases the amount necessary to be available if a certificate of deposit is required.

Significant Issues

SB256/aSPAC changes the term “surety bond” to “consumer protection bond” in all instances it appears in the bill. The Surety Association of America reports that in practical terms, a consumer protection bond is the same as a surety bond and provides the same protections to the consumer.

Provisions of this statute also allow for a certificate of deposit to be used in place of a consumer protection bond. The amount of the certificate of deposit is increased by the amendment from two thousand dollars to ten thousand dollars.

Synopsis of Original Bill

Senate Bill 256 institutes a three tiered structure for the licensure of security guards and establishes corresponding licensing fees. Additionally, this bill provides an incremental penalty for failure to renew a license or registration within the allotted time period.

Significant Issues

Although not specifically stated in SB 256, RLD reports this bill will increase the level of professionalism for security guards by allowing security guards a multi-level ladder for advancement based on experience and training.

RLD further notes the overall number of individuals applying for security guard licenses is increasing as are the duties security guards are required to perform. In order to insure individuals are assigned to perform duties in accordance with their experience and abilities, the private investigator board is establishing specific standards for licensing security guards. These standards include, but are not limited to training, firearms safety, patrolling, handcuffing, the laws of arrest, as well as other requirements necessary to perform the duties commensurate with a security guard's level of experience. The increase in late fees is requested as an enforcement tool to serve as a deterrent to licensees from filing renewal applications late and working without a current, valid license.

FISCAL IMPLICATIONS

SB256 would increase revenues to the private investigator and polygrapher fund by \$10 thousand in fiscal year 2005.

OTHER SUBSTANTIVE ISSUES

RLD notes that the public at large is at risk by having security guards engage in duties they are not properly trained to perform. In addition, security guards are at risk of harming themselves and others by being placed on jobs that they are not adequately prepared and trained for. This bill will assist employers in having a better understanding of the experience level of security guards, and of the types of duties they are capable of performing.

PA/lg:yr